IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

THURSDAY, THE TWENTY FOURTH DAY OF FEBRUARY
TWO THOUSAND AND FIVE

PRESENT

THE HON'BLE MR JUSTICE N.V. RAMANA

WRIT PETITION NO : 18210 of 1998

Between:

M/s Sreenivasa Utility Gas Traders, rep. by it's Proprietor ,A.Sreenivasa Reddy,12-132/1, Nagarkurnool, Mahabubnagar District.

..... PETITIONER

AND

1 Union of India, rep.by it's Secretary, Ministry of Petroleum and Natural Gas New Delhi.
2 M/s.Hindustan Petroleum Corporation , rep.by it's Chief Regional Manager, Regional Office,130/1, Sebastian Raod, SD Road, Secunderabad-3.
3 M/s Bharat Petroleum Corporation Ltd., rep.by it's Sr. Divisional Manager 45-A, SD Road, Post Bag No.1511, Secunderabad-3.

4.. K.Raghunatha Sarma S/o. Srinivasa Sarma

R/o.Nagarkurnool, Mahaboobnagar dist

(R-4 is impleaded as per court order dt 16-12-98 in WPMP No.

36894 of 1998)

...RESPONDENTS

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue an appropriate Writ, more in the nature of Mandamus, declaring the action of the Sr. Divisional Manager, Bharat Petroleum Corporation Ltd., SD Road. Secunderabad in proposing to appoint a distributor at Nagarkurnool of Mahabubnagar District as being arbitrary, illegal, unconstitutional and violative of various guidelines issued by Government of India for appointment of Distributorship and issue a consequential direction restraining the 3rd respondent from proceedings further in pursuance to the advertisement dt.27.5.98

Counsel for the Petitioner:MR.A.GIRIDHAR RAO

Counsel for the Respondent No.1: MR.V.RAJESHWAR RAO

Counsel for Respondents 2 & 3 : Mr.B.MAHENDAR REDDY

Counsel for respondent No. 4 : Mr. M.LAKSHMAN SARMA

The Court made the following :

ORDER:

In the present writ petition, the petitioner questions the action of the respondents in proposing to appoint a distributor at Nagarkurnool vide advertisement dated 27-5-1998.

The brief facts, which gave rise to filing the present writ petition are that the petitioner was appointed as dealer of L.P.G. at Nagarkurnool, Mahabubnagar district vide proceedings of the second respondent dated 2-2-1987 and also entered into an agreement. It is stated that the Ministry of Petroleum and Natural Gas issued order dated 29-10-1985 prescribing guidelines for distribution of cylinders, which prescribes that if the level of 5000 refils is reached, new distributorship may be developed by bifurcating the existing number of connections. The petitioner claims that he is having only 3971 connections and a waiting list of 1350, and its monthly refils is only 2400 which is well within the ceiling fixed by the Governemnt i.e., 4000 refils per month. It is also alleged that no market survey was conducted as prescribed under the guidelines and the appointment of a new distributor is not feasible. Hence, the present writ petition.

This Court while admitting the writ petition granted interim stay by order dated 1-7-1998. The respondent corporation filed a counter affidavit together with vacate stay petition.

It is stated in the counter affidavit that keeping in view the growing demand and the large number of requests made for providing domestic LPG facilities from small and rural areas, the Ministry of Petroleum and Natural Gas, by its letter No.P-19011/3/94-IOC (Vol. II) dated 11-3-1997 decided that any location having a population of 10,000 and more be included in the marketing plan irrespective of its potential. It is also stated that the total population of Nagarkurnool and adjoining villages within 15 KMs radius is about 1,50,000 and after receiving a report from the Senior LPG Sales Officer that new distributorship would be feasible, the impugned advertisement was issued calling for applications from the eligible candidates for appointment of LPG distributors at locations, including Nagarkurnool, which is reserved for handicapped persons. The averments made by the petitioner as regards number of refills and viability of a new distributorship were denied and it is stated that petitioner at present is having a wait list of about 2000 and will not be in a position to clear the wait list in the near future and that there is great demand for LPG in and around Nagarkurnool town.

It is to be noted that the impugned notification relates to
year 1998 and definitely there will be increase in the consumption of LPG and the present market would be more potential than that of 1998 and the learned counsel for petitioner also accepted the same. Apart from that, the respondent corporation contends that the wait list pending with the petitioner is 2000 and the petitioner will not be in a position to clear the wait list in the near future and that Nagarkurnool and surrounding areas are having large potential and a new distributorship would be feasible. Hence, I do not see any reason to continue the interim stay granted by this Court. Accordingly, the writ petition is disposed of with the following direction;

The respondents are at liberty either to process the applications already received pursuant to advertisement dated 27-5-1998 or to issue a fresh notification, once again calling applications from the intending candidates and proceed with the matter as per the existing Rules and in accordance with law. No costs.

N.V.RAMANA,J

24-2-2005

TVK

..... REGISTRAR

// TRUE COPY //

SECTION OFFICER

To

1.. The Secretary, Union of India, Ministry of Petroleum and Natural

Gas New Delhi.

2.. The Chief Regional Manager M/s.Hindustan Petroleum Corporation

Regional Office,130/1, Sebastian Raod,
SD Road, Secunderabad-3.

3.. The Sr. Divisional Manager M/s Bharat Petroleum Corporation

Ltd., 45-A, SD Road, Post Bag No.1511, Secunderabad-3.

4) 2 CD copies

5) 1 CC to MR.LAKSHMANA SARMA

*Form-NIC-OGS/WP{**NS**}*